

Washington State Integrated Community Mental Health Program 1915(b) Waiver Renewal

Terms and Conditions

This approval is subject to all the terms and conditions of the original waiver approval, including the conditions listed below:

1. No later than April 1, 2004, the State must review the contract base year data and submit detailed cost documentation on the expenditure amount for any service (including utilization) not in the current State Plan, including all services provided in the Expanded Community Services (ECS) Program.
2. The State must provide detailed base year data that supports cost effectiveness determination and assures that rate-setting procedures currently under review exclude expenditures for services to non-Medicaid eligibles. Future rates and future cost effectiveness data must be based on CMS approved services and costs to Medicaid eligibles only. If CMS determines otherwise, CMS will reduce the base year amount. No later than April 1, 2004, the State must certify that the base year data and rate setting include only State Plan services for Medicaid eligibles.
3. All future rate setting must be based on base year data developed from encounter data and include only State Plan services for State Plan eligibles. Additionally, per 42 CFR 438.240(a)(2) and approval of this waiver, the State must contractually require RSNs to conduct a Performance Improvement Project for improving encounter data, which must be reviewed by the State's EQRO annually using the CMS EQR protocols for Validating Performance Improvement Projects and Validating Encounter Data. For the first year, baseline encounter data must be reported by June 30, 2005. In subsequent years, the data must be remeasured and reported to CMS Regional Office.
4. The State must establish a Community Reinvestment Fund, and the State must require that any profits/savings under this waiver are deposited into the Fund. This account is to be used for 1915(b)(3) services to support the development of community-based services for the prevention, early intervention and treatment of mental illness for Medicaid beneficiaries only. The Federal share of any funds from this account not used within one year of being placed in the fund or upon contract expiration or termination must be returned to CMS. Prior to the use and distribution of 1915(b)(3) funds, the State must submit documentation to CMS and receive prior approval regarding the cost of the additional services to be provided to enrollees. The savings may only be expended for the benefit of enrolled Medicaid beneficiaries. The additional services to be provided under the waiver must be for medical or health-related care, or other services as described in 42 CFR 440.
5. Costs in Column I (Preprint Question F (b) on page 192) are under the Waiver but outside of the contract. The State must report the cost in Column I on the CMS 64.9 waiver forms and count these costs toward the State's cost-effectiveness, beginning the quarter ending June 30, 2004.

6. The State must assure adequate funding for the 2-year renewal period and must competitively procure an EQRO, which meets all regulatory requirements. In addition, the State must submit quarterly progress reports of EQRO to the CMS Regional Office beginning the quarter ending June 30, 2004. The State has 30 days to submit the quarterly progress reports, the first of which must be submitted by July 31, 2004.
7. The State must assure adequate funding for, and must ensure that all PIHPs and subcontractors comply with the information requirements as specified in 42 CFR 438. In addition, the State must submit semi-annual progress reports regarding the development and distribution of information materials to the CMS Regional Office beginning the period ending September 30, 2004. The State has 30 days to submit the progress reports, the first of which must be submitted by October 31, 2004.
8. The State's proposed waiver amendment submitted on June 27, 2003, regarding compliance with the new Medicaid Managed Care Regulation, is replaced by the approval of this renewal application. In addition, the State must revise all contracts to reflect the changes of the approved renewal application by April 1, 2004.